

Chapter 4

Regional and Bilateral Free Trade Agreements and Other Initiatives

relations between Canada and Japan and indicated that more could be done to strengthen our commercial ties. It identified a number of initiatives—such as enhanced cooperation on food safety and continued efforts toward a double taxation agreement—that would promote future bilateral economic relations. At the January 2008 meeting of the Canada-Japan Joint Economic Committee, Canada and Japan agreed to engage in focused discussions on the establishment of a “trade and investment dialogue” that would address regulatory cooperation, trade policy and the overall business environment. Such discussions will enable us to strengthen our cooperation efforts with Japan.

Regulatory Cooperation

Through various regulatory cooperation initiatives, Canada continues to collaborate with key partners with the goal of providing greater economic opportunity for all parties while protecting the health and safety of its citizens and their environment. Canada is currently at differing stages of broad-based regulatory cooperation with its NAFTA partners (the United States and Mexico), the European Union and Japan.

With the implementation of NAFTA Canada has achieved free trade with the United States and Mexico. However, the benefits could be further enhanced through closer cooperation on regulatory issues. The non-binding North American Regulatory Cooperation Framework (RCF) enables the NAFTA partners to pursue further regulatory cooperation aimed at lowering costs for North American businesses, producers, governments and consumers;

maximizing trade in goods and services across our borders; while protecting health, safety and the environment. In order to enhance North American competitiveness in global markets, ongoing work is taking place to improve regulatory cooperation in priority sectors (such as the automotive sector), which includes the development of regulatory approaches that are compatible across our borders. New areas for cooperation continue to be identified and pursued under the RCF, which was adopted in August 2007 at the North American Leaders' Summit in Montebello, Quebec.

The non-binding Framework on Regulatory Cooperation and Transparency, implemented through the Canada-EU Roadmap for Regulatory Cooperation, continues to advance regulatory cooperation in sector-specific areas such as chemicals and food allergen labelling. The Canada-EU Framework and the Roadmap also facilitate regulatory cooperation on horizontal issues. New areas of cooperation continue to be identified for the Roadmap, which was adopted in June 2007 at the Canada-EU Summit in Berlin. Progress in regulatory cooperation with the EU could be further strengthened by concluding a stand-alone regulatory cooperation agreement, as called for by leaders at the June 2007 Canada-EU Summit.

Pursuant to the recently concluded Canada-Japan Joint Study, Canada is developing a regulatory cooperation initiative with Japan. In addition, Canada has a variety of issue-specific dialogues on regulatory matters with a range of other commercial partners and is open to considering additional broad-based dialogues where appropriate.